



Wisconsin Health Insurance Risk Sharing Plan (HIRSP)

Division of Health Care Financing
Department of Health and Family Services

P.O. Box 8961 • Madison, WI 53708-8961
Customer Service: (800) 828-4777 or (608) 221-4551
Fax: (608) 223-5861

March 1, 2005

Dear Policyholder:

Each year, the Wisconsin Health Insurance Risk Sharing Plan (HIRSP) offers reductions in premiums, deductibles, and drug coinsurance out-of-pocket maximums to eligible policyholders in Plan 1, Option A, or Plan 2. ***To apply for these reductions, please read this letter carefully for details.***

HIRSP approves these reductions for one year only. You must reapply to keep them in effect. Reductions now in effect are based on 2003 income. Premium reductions will end on June 30, 2005. Deductible and drug coinsurance out-of-pocket maximum reductions will end on December 31, 2005. ***If you want to continue to receive these reductions, you must act now to reapply for them.***

HIRSP determines eligibility for these reductions each year based on your household income as defined by the Wisconsin Homestead Credit program. The Wisconsin Department of Health and Family Services reviews the tax returns for individuals receiving reductions to verify the accuracy of reported income.

Important Dates for Policyholders Who Qualify for Reductions

For premium reductions to be effective July 1, 2005, your Application for Reduced Premium, Deductible, and Drug Coinsurance must be postmarked by:	May 2, 2005
If you qualify for reductions based on 2004 income, your reduced premium will go into effect on:	July 1, 2005
If you qualify for reductions based on 2004 income, your reduced medical deductible and drug coinsurance out-of-pocket maximum will go into effect on:	January 1, 2006

Individuals Eligible for Reductions

If you are in **Plan 1, Option A (\$1,000 deductible)**, and your household income in 2004 was less than:

- **\$25,000**, you may apply for a reduction of your HIRSP **premium**.
- **\$20,000**, you may apply for a reduction of your HIRSP **premium, medical deductible, and drug coinsurance out-of-pocket maximum**.

If you are in **Plan 1, Option B (\$2,500 deductible)**, regardless of your household income in 2004:

- You ***do not qualify*** at this time for these reductions, according to Section 149.146(2)(a), Wisconsin Statutes.

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For more information about HIRSP, visit our Web site at dhfs.wisconsin.gov/hirsp

If you are in **Plan 2 (for people who are eligible for Medicare)** and your household income in 2004 was less than:

- **\$25,000**, you may apply for a reduction of your HIRSP **premium**. You are **not** eligible for reductions in medical deductible and drug coinsurance out-of-pocket maximum.

How to Apply

If you would like to apply for or continue to receive these reductions, please forward a copy of your completed 2004 Schedule H or complete the enclosed annual Application for Reduced Premium, Deductible, and Drug Coinsurance. You are required to sign and date all forms before submitting them to HIRSP. Return the completed form to the following address by May 2, 2005. You must report all household income received in 2004 to HIRSP, including, but not limited to, wages, Social Security benefits, and unemployment compensation.

Health Insurance Risk Sharing Plan
Attn: Member Services Administration
PO Box 8961
Madison WI 53708-8961

Important Application Dates

Your response **must** be postmarked by May 2, 2005, to receive the reduced premium effective July 1, 2005. If you also qualify for reductions of your medical deductible and drug coinsurance out-of-pocket maximum, they will be reduced accordingly on January 1, 2006. If HIRSP does not receive your application before May 2, 2005, and you are eligible, the reduced premium will not take effect until your next renewal date, providing the application was received 60 days before that date.

The reductions you currently receive are based on your 2003 income. If you are no longer eligible for these reductions based on your 2004 income, your premium reduction will remain in effect until June 30, 2005. Effective on July 1, 2005, you will begin paying your plan's standard premium rate, and effective January 1, 2006, you will begin paying the standard medical deductible and drug coinsurance out-of-pocket maximum.

For More Information

If you have questions regarding instructions for completing the Application for Reduced Premium, Deductible, and Drug Coinsurance, or about HIRSP, please call HIRSP Customer Service at (800) 828-4777 or (608) 221-4551.



Margaret Kristan, Director
Wisconsin Health Insurance Risk Sharing Plan

Enclosure

